MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2016/2017

BHR 3014-INTERNATIONAL HUMAN RESOURCE MANAGEMENT

(All sections / Groups)

9th March 2017
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of **TWO (2)** pages with **FIVE (5)** Questions only.

2. Attempt **FOUR (4)** out of **FIVE (5)** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

A multinational corporation (MNC) has facilities and other assets in at least one country other than its home country. Such companies have offices and/or factories in different countries and usually have a centralized head office where they coordinate global management. Very large multinationals have budgets that exceed those of many small countries.

Wal-Mart has operations in 28 countries, including over 11,500 retail stores that employ over 2.3 million people internationally. There are a number of advantages to establishing international operations. Having a presence in a foreign country such as Malaysia allows a corporation to meet Malaysian demand for its product without the transaction costs associated with long-distance shipping. Corporations tend to establish operations in markets where their capital is most efficient or wages are lowest. By producing the same quality of goods at lower costs, multinationals reduce prices and increase the purchasing power of consumers worldwide. The key positions are managed by staff from the home country. Wal-Mart management has plans to recruit the executives from their parent country nationals (PCN) , and majority of employees from Malaysia (HCN).

Critically evaluate the advantages and disadvantages of recruitment for parent country nationals (PCN) and host country nationals (HCN).

[Total: 25 Marks]

QUESTION 2

The complexity of operating in different countries and employing different national categories of workers is a key variable that differentiates domestic and international human resource management rather than any major differences between human resource activities. Explain any **FIVE (5)** differences which contributes to this complexity of international human resource management.

[Total: 25 Marks]

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QUESTION 3

Saint-Gobain S.A. is a French multinational corporation, founded in 1665 in Paris and headquartered on the outskirts of Paris, at La Défense and in Courbevoie. Originally a mirror manufacturer, it now also produces a variety of construction and high-performance materials. The company is a component of the Euro Stoxx 50 stock market index.

The company has started a subsidiary unit in Selangor. It has some executives and employees are from parent country namely France, The company has to introduce compensation for it employees in this unit for parent country nationals.. As Human resource Executive of this company in Malaysia, what are the options regarding international compensation that you like to use in the company.

Describe each option with its advantages and disadvantages.

[Total: 25 Marks]

QUESTION 4

a) The United Nations Conference on Trade and Development (UNCTD) calculates the index of transnationality . Explain the method of calculation of this index.

(5 Marks)

b) Like cross-cultural adjustment, the re-entry process of an expatriate to corporate office is a complex interaction of several factors. Examine the factors influencing the adjustment of an executive in repatriation.

(20 Marks)

[Total: 25 Marks]

QUESTION 5

Multinational company American Insurance Group (AIG) has its branches and operations in many countries, but evaluating branch performance is difficult because of constrains. Explain these constraints.

[Total 25 Marks]

End of Question Paper